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Swiss tourist business gives advertising boost to American foods

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This week's cover:

The Alps, the old-world atmosphere, and medieval towns like Stein am Rhein—whose well-known facade paintings appear on the cover—draw tourists to Switzerland. And more and more of the tourists are eating American foods. See story beginning this page.

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Swiss Tourist Business

By ALAN W. TRICK
U.S. Agricultural Attaché, Bern

Above, Swiss travel poster points out, "Vacations of some give work to others." Below, some vacationers sun while others take boat tour of Thuner See in Bernese Oberland.

Gives Advertising Boost to American Foods

The Swiss travel industry's ongoing campaign to attract ever more visitors to its country of vacationers' delights is giving a complimentary boost to exports of U.S. foods. At hotels and restaurants in this country that is believed to have the highest per capita inflow of tourist revenue in the world, customers from many countries are being introduced to American foods. Once back home, many will seek out these foods in local markets to duplicate their vacation fare.

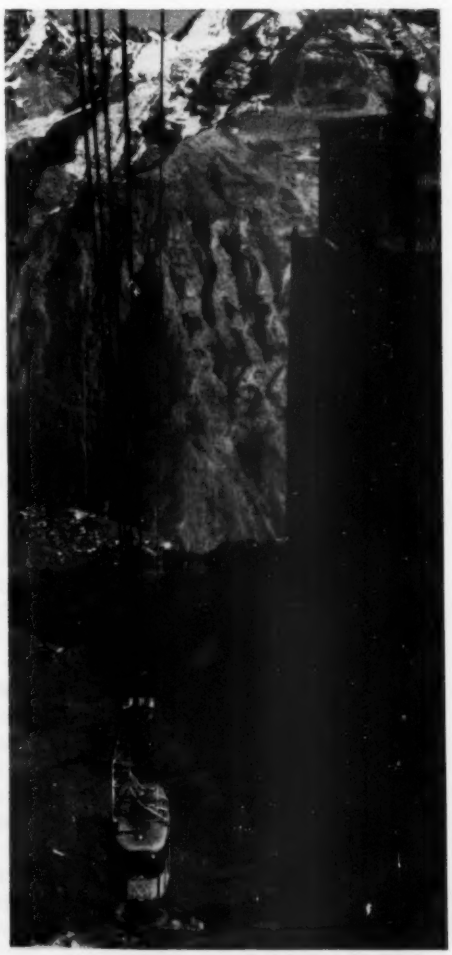
For example, some 80 percent of Swiss restaurants serve U.S. long-grain rice. A number feature American beef, pointing out this fact on their menus. Recently, one restaurant offered an entire menu of U.S. foods from appetizers to desserts—including steaks, Idaho potatoes, iceberg lettuce, avocados, and apple pie. Just as many North Europeans are now eating rice in main courses as a result of travels to such rice-consuming countries as Spain and Italy, so will U.S. foods benefit from this "taste-and-see" exposure in Switzerland.

The potential customers among visitors to this small country add up to a sizable figure. In 1968 the Swiss hotel trade registered more than 32 million "overnights." ("Overnight" is a measurement term used by tourist agencies for the number of people booked for a night's stay.) Almost 19 million of these were foreign visitors. Of these, about 1.8 million were Americans, leaving 17.2 million registered travelers from other countries. These figures do not include camping and private chalet accommodations. If all unregistered lodging is taken into account, last year's total overnights probably came close to 55 million.

High income from tourism

Foreign travelers spent an estimated $700 million in Switzerland in 1968. Thus, the country's per capita income from tourism amounted to over $100, the highest of all West European countries. Because of this sizable income, tourism is of major importance to the Swiss economy, contributing around 9 percent to gross national income. This compares with agriculture's 5-percent share. Tourism also contributes to the Canton (State) economies, for it tends to keep people in mountain areas by providing jobs, markets for local products, and even educational and social facilities that would not otherwise exist. Population has even increased in some very remote sections that attract travelers, whereas similar areas

Right, among the Swiss suspension railways is this one up the Schilthorn from Lauterbrunnen, a 22,858-foot ride to a height of 6,890 feet for a spectacular view.



Above, Adelboden, the ideal center for mountaineering, hiking; right, Grindelwald, glacier village.

without visitors continue to lose inhabitants, especially young people.

Among the first to benefit from tourism is the hotel and restaurant trade, whose boost in business leads to increased food consumption. One way of achieving some conception of the size of Swiss food expenditures for tourism is to enumerate annual purchases of a moderate-to-large hotel in a favorite tourist area. One 230-bed hotel gave the following breakdown:

Meat	US$179,400
Seafood	63,250
Fresh vegetables	34,400
Fresh fruits	34,500
Butter	32,200
Poultry	25,300
Canned and frozen vegetables	23,000
Cream and milk	20,700
Coffee, tea, and chocolate	19,550
Bread	18,400
Caviar	17,250
Wine, beer, liquor	309,350
Total	777,400

The increased consumption that comes with Switzerland's thriving tourist business has to cause increases in food imports since, on the basis of total calories consumed by its own nationals, Switzerland is just 55-percent self-sufficient in food production. The other 45 percent, plus more for visitors, must come from imports.

Last year Switzerland imported some $70 million worth of food and agricultural products from the United States, about $12 worth for each Swiss national. On a per capita basis Switzerland is the United States second best customer, following Canada, for agricultural products. Major U.S. food exports to this market last year included rice; canned, fresh, and dried fruits and vegetables; poultry; nuts; beef; and canned and frozen juices.

Although the percentages of these imported U.S. foods used by restaurants and hotels—and therefore eaten largely by tourists—is not known, it is believed to be sizable. Since American guests make up only about 5.6 percent of registered hotel "overnights," many of the other travelers in Switzerland, including many foreigners, are being served U.S. foods, some perhaps for the first times in their lives.

Unthreatened Industry

That this trend will continue is almost certain since Swiss leadership in tourism does not appear to be threatened. The Swiss have all the ingredients to keep this enterprise going successfully, including transportation, a varied topography for all kinds of activities, accommodations of all types, antiquities, and a reputation for hospitality. The cuisine is international in origin and generally well prepared and beautifully served.

Most important, the Swiss are not resting on their laurels. For example, they recognize that the availability of a wide variety of high-quality foods is essential to a healthy tourist business. At a recent meeting of the Swiss Hotels Managers' Association, many of the measures proposed and discussed concerned foods and catering. One delegate pointed out that "Swiss tradition is not edible," thus emphasizing the need for maintaining high quality and variety in foods. Imported foods naturally add to this variety.

Because they need imported foods to service the many tourists that dine in their country, Swiss hoteliers and restaurateurs frequently combine efforts with other tourist industry representatives against the numerous government controls on imports of foods forming a powerful pressure group that is often able to obtain liberalization of food imports. Thus, Swiss tourism also contributes to a freer trade policy.

Swiss hoteliers and restaurateurs will have an opportunity to see a wide selection of U.S. foods, many of them new products, at the American food exhibit at IGEHO (International Catering and Hotel Exhibition), an international show for the food-service industry, in Basel November 13-19.

Canada Approves Compensation for Pesticide Damages

The Canadian Parliament earlier this summer approved legislation to protect farmers against financial losses when pesticide residues occur in their fields and on their crops through no fault of their own. Similar legislation exists in the United States. The legislation, entitled the Pesticide Residue Compensation Act, will come into effect when regulations have been finalized and the Canadian act proclaimed.

Through the years, Canada's farmers have made extensive use of pesticides. Many crops could not be produced economically without them. As in the United States, rules on pesticide use are strict, particularly where food is involved. Even very small quantities of residue can lead to a ban under the Food and Drug Act.

The basic objective of the new act is to provide farmers with compensation from the government when their crops are banned because of residues. It is designed to help farmers who lose immediate income and, in some cases, future sales, because of these bans.

If a farmer uses a registered pesticide, follows the directions properly, and then experiences a residue problem that leads to a sales ban against his product, he can ask the Department of Agriculture for compensation. Before awarding such compensation, the Minister of Agriculture must be satisfied that the farmer and his employees, or any previous owner or employee of the farm, are not at fault; the farmer has taken any steps the Minister deems necessary to reduce losses; and the farmer has taken legal action the Minister deems necessary to recoup losses if some other party is at fault.

For example, a farmer whose carrot crop has been banned from sale might be able to market his carrots if he washes them thoroughly to get rid of pesticide residue. In this situation, the Minister might decide that it is reasonable to require the farmer to wash and market his carrot crop to reduce losses before the compensation, if any, is determined.

In the case of a legal question, the Minister might require a farmer to take his case to court to recover damages from some other party responsible for the residue. For example, the problem may have been caused by pesticide drifting from a neighboring field or by a pesticide manufacturer's mistake, and the farmer could expect the court to award him damages. In some cases, the Minister might deem it unreasonable to expect a farmer to take his case to court and might award compensation. He would then have the option of taking over the case and suing the other party for damages.

Attache's Office in Canberra reports—

Australia Gearing To Handle Another Big Wheat Crop

As a result of the record crop harvested in 1968-69—an estimated 14,687,000 metric tons—the Australian wheat supply on July 1, 1969, was far in excess of available markets, and storage and handling facilities were severely strained. It seems almost certain that despite an aggressive selling policy the Australian Wheat Board will still be holding stocks of over 7 million metric tons by the time the 1969-70 harvest commences in December.

It also seems almost certain that the new harvest will be a near-record one of about 14,425,000 tons if weather remains favorable. Moisture conditions were excellent over most of the Australian wheat belt during July and August; the only exception was Western Australia, where rainfall was average and yields are likely to be significantly lower than last year's. Total Australian acreage is estimated at close to 26 million acres, or slightly less than last year. Although there was some expansion in the more favored districts, wet conditions in the southeast prevented some intended acreage from being planted; and because of high moisture levels, the protein content of the main varieties may be expected to be well below that of 1968-69.

Australia's wheat and flour exports during fiscal 1968-69 totaled only 5,366,000 tons, nearly 1.6 million less than in 1967-68; Mainland China and Japan were the major customers for wheat, taking 1.8 million and 1.15 million tons, respectively. The smaller exports, combined with the larger 1968-69 crop and a total domestic consumption estimated at 2.4 million tons (only 1.4 million of which were used as food, the rest going for seed and stock feed), resulted in a sharply increased carryover by July 1969—11.2 million tons, or nearly 7 million more than when the season began in July 1968.

With yet another large wheat crop in prospect, export availability in 1969-70 is expected to total over 23 million tons. But under present market conditions, Australia would be doing well to sell 5-6 million tons of wheat and flour. Accordingly a further large increase in carryover stocks is anticipated by July 1970—close to another 6-7 million tons, for a total of nearly 18 million.

The domestic market price for Australian wheat this year remains unchanged at US$191 per bushel, f.o.b. main ports. The Commonwealth guarantee on 5.4 million tons (200 million bushels) of export wheat also continues unchanged at $1.62 per bushel, f.o.b. basis. The basic wheat export price for f.a.q. grade declined steadily during the first 6 months of 1969, from $1.60 in January to $1.55 in July.

1 metric ton=36.7 bushels of wheat; A$1=US$1.12.

New South Wales Setting Wheat Delivery Quotas

New South Wales, Australia's biggest wheat-producing State, was first to announce details of implementing its wheat delivery quota for 1969-70 under the system worked out by the Australian Wheat Growers Federation with the cooperation of Commonwealth and State Governments.

The basic N.S.W. quota was fixed at 123 million bushels (plus 7 million bushels of prime hard wheat if available). After a final conference with wheat industry organizations, the N.S.W. Minister for Agriculture indicated that traditional wheatgrowers would receive preferential treatment compared with those who had entered the industry in the last few years. After sorting the records into categories covering wheat deliveries over the last 3, 4, and 5 years, the N.S.W. Grain Elevator Board found it possible to guarantee all categories 50 percent of their 1968-69 deliveries—for many growers, the largest quantity delivered in any of the last five seasons.

Quotas based on years in wheat growing

The Board then decided that quotas for 1-year, 2-year, and 3-year growers should be set at the basic 50 percent of 1968-69 deliveries. This broad category comprises about 21 percent of the total number of growers and clearly illustrates the large influx of graziers into the wheat industry. For traditional growers, it was found possible to offer as an alternative a set proportion of their 5-year average delivery, whichever is the greater. That proportion, not yet decided, is to be at least 85 percent.

The only way quotas can be allocated to new growers is by reference to their stated acreage under production or intended to be sown this year. The quota for this group is 40 percent of the declared acreage, multiplied by 20 (estimated average yield in bushels). There are approximately 1,265 new growers this year, representing about 5 percent of the total.

Should a wheat grower in the 1969-70 season not deliver his full quota, the undelivered amount will not be added to his quota for the following season; any shortfall will be allocated to holders of over-quota wheat. To receive entitlement to the extra 7 million bushels which will be allocated in proportion to the amount of northern Prime Hard wheat held on properties, growers of Prime Hard must declare how much northern Prime Hard has been retained on their properties after they have delivered their basic quotas.

Provisions for appeal

The Minister announced that he would appoint a review tribunal, consisting of a government chairman and two representatives each from the United Farmers' and Woolgrowers' Association and the N.S.W. Graziers' Association. Grounds for appeal to this tribunal would be hail and fire, local adverse seasons, and deliveries to the Grain Elevator Board for 1968-69 after the signing of the statutory declarations. One grower organization has pressed the Minister to include among the grounds for appeal the military service of a son during the 5-year period on which delivery quotas are based.

Farmers will have 30 days in which to appeal after receiving their quota notifications. The N.S.W. Grain Elevator Board hoped to issue notifications of individual quotas not later than the end of August. However, it is clear if the number of appeals is greater than expected, many of them may not be heard before the harvest has started.

Australian Wheat Board Plans Emergency Storage

Despite recent increases in wheat-storage capacity through special grants from State Governments and the use of maintenance reserves by State wheat-handling authorities, it has become clear that Australia's large carryover will make it impossible to accept all the wheat to be delivered under the 1969-70 quota system. To ease the position as much as possible, a big emergency wheat-storage program has been initiated by the Australian Wheat Board, designed to provide space for an additional 45 million bushels.

The Board has made available to the State wheat-handling instrumentalities a total of US$7,168,000 in special funds for the immediate construction of preroofed emergency storage facilities for between 40 million and 45 million bushels of wheat. These funds have been allotted to the States on the basis of their relative carryover positions and were obligated after close consultation with Commonwealth officials.

The New South Wales share of the Wheat Board funds is $1,207,500, based on 7 million bushels storage at an estimated cost of 17.25 U.S. cents a bushel. In addition, the N.S.W. Grain Elevator Board has agreed to allocate about $1,792,000 from its own capital funds to provide a further 10 million bushels temporary storage. Even then, however, it is anticipated that in many areas of the State that Board will be unable to accept all quota wheat deliveries until about March or April, or about 4 months after harvest.

The Victoria Grain Elevator Board is reported to have been allocated funds to construct 9 million bushels of emergency storage under the latest scheme, after having received approval from the Victoria Government to spend $11,200,000 which that Board had accumulated under the Australian Wheat Board's capital facilities allowance. Queensland's share of the emergency carryover storage scheme is 1.5 million bushels. The remainder of about 25 million bushels will be divided between South Australia and Western Australia, where the storage position is also acute and large wheat crops are again expected this year.

Although the authorities are doing their utmost to minimize delivery problems during the coming harvest, it is obvious that in many areas growers will meet tremendous difficulties in getting their wheat into storage and qualifying for the first advance payment of $1.23 per bushel on deliveries up to 357 million bushels from the next crop.

Drought May Boost Poland's Grain and Feed Imports

Widespread drought is causing concern this fall in a number of northern and eastern European countries. One of them is Poland, where crop conditions by mid-August had deteriorated to the point where a national conference was held on August 15 at the Ministry of Agriculture to discuss drought conditions and expected feed difficulties. The Polish Government has not announced import intentions, but it probably will increase imports of grains and other feedstuffs substantially during the 1969-70 consumption year. Imports of about 2.5 million metric tons of grain are likely, compared with an estimated 1.6-1.7 million during 1968-69.

The level of grain imports will depend on government policies to provide support to private farmers (who supply 85 to 90 percent of Poland's meat and milk production), the actual outturn of crops (especially root and forage crops), Soviet willingness to supply grain, and price and credit conditions for grain from other sources.

Story of the 1969 crops

Poland's 1968-69 winter crops got off to a bad start in the fall of 1968 with late sowings, followed by a long, hard winter and a late, cold spring. Precipitation was below normal during each of the first 7 months of 1969. The relatively cool spring temperatures reduced the seriousness of the subnormal rainfall but delayed spring planting. Then, in July and early August, rainfall dropped to very low levels; in the last 10 days of July, precipitation over most of Poland was less than 20 percent of normal, with more than half of the country's weather stations recording no rain at all. Unusually high temperatures compounded the difficulties; soil moisture on July 31 was the lowest recorded in the 1960's. Especially affected were potatoes, sugarbeets, hay, and pastures.

Poland's 1969 grain production is expected to be lower than the record 1968 output by about 1.5 million tons, although the estimated production of 16.5 to 17.0 million tons compares favorably with pre-1968 levels of output. Small reserves were probably accumulated after the 1968 crop, but they are believed to be less than the expected drop in production.

Hog numbers have not increased over the past 2 years. The anticipated feed difficulties, therefore, are related primarily to the effect of the drought on hay and pastures and the expected declines in production of potatoes and other root crops. For potatoes, the estimated decline from 1967 and 1968 levels is equivalent to about 1.5 to 2.0 million tons of grain. Despite these feed problems, the government will probably attempt to prevent any sizable reduction in hog inventories because of the importance of meat (especially pork) as a source of foreign exchange, although moderate reductions would probably be acceptable. The Minister of Agriculture is urging sharp control over feeding rates.

Where Poland may get grain

The USSR, a major supplier of grain—especially wheat—to Poland, contracted to furnish 1.3 million tons of grain for 1968-69, but the quantity for 1969-70 has not been specified. France, biggest recent gainer in the Polish grain market, upped its sales from 363,000 tons in 1967 to 636,000 in 1968, according to the Poles; and in August it was reported offering 1967-crop barley to Poland for about $40.00 per ton c.i.f.

The United States has sold little wheat to Poland since 1966, but it recorded sales of 359,000 tons of feedgrains in 1968, valued at $17.4 million. For fiscal 1969, however, its grain sales dipped to $15.9 million. Poland's imports of soybeans and soybean meal from the United States were valued at $13.2 million. Although the leading market in Eastern Europe for U.S. agricultural commodities, Poland has maintained a favorable total trade balance with the United States, exporting $96.9 million in 1968 while importing $82.4 million.

—By DAVID M. SCHOONOVER
Foreign Regional Analysis Division, ERS

Japan Attempting To Solve Problem of Too Much Rice

Record rice harvests in 1967 and 1968—a result of good weather and steady rises in support prices—coupled with declines in rice consumption have caused sharp increases in Japanese stocks. Compounding this problem, export prospects are poor because of high producer prices as well as limited demand for Japanese varieties.

Japan consequently has adopted or is considering measures to limit production and facilitate marketing of rice during 1969-70. Chief among these measures are diversion of land to other crops, introduction of a limited free-market system, maintenance of the 1969 producer price at the 1968 level, and the possibility of Food Agency allocation of 1 million tons of rice for sale as feed.

The first three measures indicate the government's desire to reduce production and modify its control over marketing. The fourth measure, if adopted, would limit imports of feedgrains in late 1969 or early 1970.

The surplus dilemma

The 1969 rice crop, harvested from September to November, is forecast as 12.3 million metric tons (milled basis), down from 13.2 million in 1967 and 1968. Cold, damp spring weather resulted in so flooding, and meteorologists have predicted increased typhoon activity in rice areas this season. Despite the lower production forecast, government carryover stocks on November 1 will be about 5.1 million tons of milled rice—the highest on record. This amounts to about 8 months' domestic requirements. Per capita consumption of rice for food, however, is generally declining, and consumption for all uses has stabilized at about 12.0 million tons.

The type of rice produced in Japan as well as the high price for domestic rice virtually excludes commercial export sales. This year, 300,000 tons of rice (milled basis) have been shipped to South Korea on a 30-year loan basis. Plans are underway to lend Okinawa 27,000 in each of the next 3 years. Japan is also studying the possibility of exporting rice to Indonesia and other Asian countries under an aid program. Japan's imports of milled rice have declined from 967,000 tons in 1965 to 50,000 in 1969 and are now limited to special glutinous rice from Thailand.

The proposed solutions

Attempts to get farmers to divert rice acreage to other crops have so far been disappointing. Even though subsidy payments of $556 per acre were provided this year to encourage diversion of 10,000 hectares (24,710 acres) of rice land, the area planted to this crop was approximately the same as last year's 3.3 million hectares (8.2 million acres). In addition, the Diet at its 1969 session did not pass proposed revisions to the Agricultural Land Law. Among other things, this legislation was meant to encourage expansion of horticultural crops and promote livestock development.

Movement toward a free market was begun on August 1 when the Food Agency authorized certain agricultural cooperatives and private distributors to purchase 1.7 million metric tons of rice from farmers and market the rice directly. This scheme operates outside the Food Agency's controlled marketing of domestic and imported rice. The price paid to farmers under the free-market scheme is negotiated by the individual cooperatives or distributors making the purchases. This freer marketing procedure is reported as a preliminary step toward abandonment of the government's controlled rice marketing system.

In another move toward solving its rice problem, the Japanese Government froze the producer price for the 1969 crop. In each of the last 11 seasons, the price has been increased. Fixed prices for brown rice rose from $226 per metric ton in 1962 to $383 per ton in 1968. The price for the 1969 crop remains at the 1968 level, still three times the equivalent price for imported rice.

Because of high guaranteed prices for rice and the low cost of imported feed, only very low grade rice has been used for feed. The volume used in this manner has amounted to about 30,000 tons annually. Thus, the possibility that the government may attempt to dispose of 1 million tons of rice stocks at reduced prices for feed has obvious implications for the U.S. grain trade.

—MARY ELLEN LONG
Foreign Regional Analysis Division ERS

Japanese Nutrition Standards

Japan's Health and Welfare Ministry plans to revise the country's standard nutritional intakes to reflect changing income and food-consumption patterns. This will be the first revision in 9 years of the table of minimum daily nutrient requirements for good health.

Indications are that the major changes will not be in volume of food consumed, but in its nutritional content. *The Japan Times* recently carried an article describing some of the changes. According to the article:

"Under the new standard, the daily calorie intake remains the same as in the one set in 1960—2,500 calories for men in their twenties and 2,000 calories for women in their twenties.

"Protein, vitamin B_1, and vitamin C intakes will be lowered, but iron intakes for women in adolescence and older and vitamin A intake for infants will be increased.

"The standard protein intake will be lowered from 95 grams to 85 grams for a 15-year-old boy and from 80 to 70 for a 15-year-old girl. This is because the adolescent Japanese have come to ingest protein of better quality and with better absorption rates."

The higher standards for iron intake by women can be utilized to good advantage in promoting sales in Japan of various foods rich in iron, including raisins, prunes, pulses, meats, eggs, and wheat flour products.

Changes in Japan's food consumption pattern follow:

JAPANESE FOOD CONSUMPTION

Category	Daily consumption per capita		
	1955	1964	1967
	Calories	*Calories*	*Calories*
Starchy foods	1,666.5	1,569.5	1,471.7
Animal foods	135.7	221.9	273.5
Fruits and vegetables	89.3	125.8	138.3
Other	348.2	492.7	572.5
Total	2,239.7	2,410.0	2,456.0
	Grams	*Grams*	*Grams*
Protein, total	66.1	70.6	74.7
Animal	16.8	23.5	28.2
Vegetable	49.3	47.1	46.5
Fats	22.3	39.0	46.4

Ministry of Agriculture and Forestry.

Above, Peace Corps volunteers at the Santo Domingo Livestock Reproduction Center. Right, a volunteer hoses down one of the outside pens at the Ecuador Animal Reproduction Center at Loja. Cleanliness is one of the swine management habits Peace Corps is stressing at Loja.

Peace Corps Helps Ecuador's Livestock Industry

American Peace Corps volunteers in Ecuador are showing rural farmers how to raise swine for cash and how to improve the quality of their cattle. Instruction—chiefly by example—has produced some promising results.

The swine reproduction center at Loja, financed by the Loja Junta de Recuperación, expects by this fall to be producing at least 10 purebred pigs to be sold to farmers for between $7 and $10. Volunteers are also introducing livestock management techniques that will mean better incomes in rural Ecuador. For example, local swine breeds haphazardly fed scraps of food used to take 3 years to reach a weight of 200 pounds. Farmers now are learning how to make their own feed concentrates and can fatten pigs to 200 pounds in about 7 months.

The Ibarra swine reproduction center, financed and run in conjunction with Ecuador's northern development agency COFONOR, opened this summer. Because of the expected high-grade pork coming out of the project area, the Tulcan refrigerated slaughterhouse near the Colombian border has agreed to pay a high guaranteed price to participating farmers.

Peace Corps volunteers are operating a cattle breeding program near the Santo Domingo area in cooperation with Heifer Project and the Santo Domingo Cattlemen's Association. Some 22 projects directly involving 25 "socios" (members) are working to improve the breeding and management of beef cattle.

One of the volunteers remembers this about the early days at the Santo Domingo base farm: "At first we had to sell the farmers on the cattle and the minor but terribly important changes that they would have to make in their management practices. We would explain that there are two options: they could take either a purebred pair or just a purebred bull. If they take a pair, they must return to the farm the first purebred bull and heifer that are born. If they take just a purebred bull to breed with the criollo (local) stock, they have to provide us with three or four of the crossbred animals."

Developments from the carefully watched breeding already have occurred. The demand for better beef cattle in the Santo Domingo area has increased and beef purchasing is now based on quality and health condition of the carcasses. More than 20 farmers are now active in the Farmer's Association, which Peace Corps helped initiate in connection with its breeding program. Farmers have gained an economic incentive to use better feed, institute disease control, and upgrade the quality of the herds with purebred blood strains.

Veterinarian Ron Smith in his Santo Domingo lab, at right, and, at left taking a blood sample from a calf. The calf belongs to Ecuadorian Carlos Castillo, one of the farmers who has a purebred pair of Brahmans.

Japan's Soybean Oil Campaign in Full Swing

Last year as more and more Japanese housewives put bottles of pure vegetable oil into their shopping carts, sales of U.S. soybeans to Japan reached 64,863,000 bushels, easily keeping Japan the No. 1 U.S. market for soybeans. About three-quarters of the U.S. soybeans purchased by Japan are crushed for oil, making it the predominant vegetable oil on the Japanese market.

Maintaining and building up sales of salad and cooking oil in Japan for the last 2 years has chiefly been the result of intensive consumer advertising sponsored by the Japan Oilseed Processors Association (JOPA) and the American Soybean Association (ASA), with financial support from the Foreign Agricultural Service.

JOPA and ASA recently extended activities for a third year with an increased budget for broader coverage. Their goals are to speed the rate of increase in Japanese per capita consumption of fats and oils, still below the level of good nutritional standards.

Nutrition stressed

Continuing theme of vegetable oil advertising in Japan is oil's nutritive value. The health-conscious Japanese are urged to "use plenty of vegetable oil to increase your stamina" and are told about vegetable oil's ability to add calories to the diet, promote the body's absorption of vitamins, and make dishes more palatable.

Magazines, newspapers, radio, and television have carried spot advertising designed both to draw new customers and encourage repeat purchases. Recipe and menu planning hints abound, illustrated with full color photos of attractive dishes made with vegetable oil.

JOPA-ASA advertising, which identifies both organizations somewhere in the copy, has most recently been encouraging homemakers to use oil in rice, Japan's staple food. The idea is to add a spoonful of vegetable oil to the rice as it cooks, adding shine and puffiness, rich taste, and increased calories.

Popular western uses of oil continue to be stressed, such as for frying onion rings, banana fritters, and shrimp, but a few new ones have been developed that are attracting the Japanese. Most are newly concocted salad dressings, promoted through a summer "Variety in Salads" advertising campaign. Ingredients strange to western tastes are being taken up by the Japanese for their salads —seasoned rice, soybean curd, Japanese pickles, seaweed, salted salmon eggs, eggplant, squash, pumpkin, fish, and shoyu—Japanese soy sauce. Garnishing the salads are French onion, sweet tomato, yogurt, and soy sauce dressings, all of which call for vegetable oil as an ingredient.

Trying out the salads

Homemakers and guests invited to a June sampling party at Tokyo's Hotel New Ohtani tasted some of the new salad dressings and salad combinations. Demonstrator chef Mrs. Toshiko Sakaki made up the salads and set out a buffet for sampling. Her theme: "Salad for Staple Dish, Salad for Side Dish." Newspaper advertising preceding the sampling party stressed that fresh fruit and vegetable salads were healthful and popular with western families.

Circuit cooking classes sponsored by the Japanese oil processors and ASA have also been a successful means of bringing vegetable oil cooking to the Japanese. The ninth and last in a spring series of classes—this one held June 23 in Kanazawa City, west of Tokyo—drew more than 1,200 people and thousands of television viewers.

Popular television chef Gyosai Tamura hosted the class, using vegetable oil to prepare fried foods, snacks, and salads. A signboard over the stage read "Take Vegetable Oil Once a Day—Always Keep Good Health with Oil." Attendees went home with cooking pamphlets and small sample bottles of soybean oil.

Top left, circuit cooking school chefs; right, sampling salads at hotel party; above, magazine ad for cooking rice with vegetable oil.

CROPS AND MARKETS SHORTS

Weekly Report on Rotterdam Grain Prices

Current prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago, are as follows:

Item	Sept. 2	Change from previous week	A year ago
	Dol. per bu.	*Cents per bu.*	*Dol. per bu.*
Wheat:			
Canadian No. 2 Manitoba	1.85	0	2.02
USSR SKS-14	1.73	−4	(1)
Australian Prime Hard	1.79	−1	(1)
U.S. No. 2 Dark Northern Spring:			
14 percent	1.77	−3	1.96
15 percent	1.85	0	2.04
U.S. No. 2 Hard Winter:			
13.5 percent	1.77	−3	1.89
Argentine	(1)	(1)	(1)
U.S. No. 2 Soft Red Winter	1.58	−4	1.75
Feedgrains:			
U.S. No. 3 Yellow corn	1.41	+2	1.20
Argentine Plate corn	1.73	+1	1.43
U.S. No. 2 sorghum	1.44	+2	1.20
Argentine-Granifero	1.49	+2	1.21
Soybeans:			
U.S. No. 2 Yellow soybeans	2.71	+2	2.88

[1] Not quoted.
Note: All quoted c.i.f. Rotterdam for 30- to 60-day delivery.

U.S. Meat Imports Up in July

U.S. meat imports subject to quota restrictions during July totaled 107.1 million pounds—up 24.0 percent from the 86.4 million in July 1968. Imports during the January-July period totaled 591.8 million pounds—up 8.9 percent from the same period last year.

U.S. IMPORTS SUBJECT TO MEAT IMPORT LAW
(P.L. 88-482)

Imports	July	Jan.-July
	Million pounds	*Million pounds*
1969:		
Subject to Meat Import Law [1]	107.1	591.8
Total beef and veal [2]	120.3	661.6
Total red meats [3]	160.3	918.8
1968:		
Subject to Meat Import Law [1]	86.4	543.4
Total beef and veal [2]	104.6	604.6
Total red meats [3]	139.6	863.9
1967:		
Subject to Meat Import Law [1]	88.7	466.3
Total beef and veal [2]	98.4	508.1
Total red meats [3]	129.4	739.5

[1] Fresh, chilled, and frozen beef, veal, mutton, and goat meat. [2] All forms, including canned and preserved. [3] Total beef, veal, pork, lamb, mutton, and goat.

U.S. Cotton Exports Low in 1968-69

U.S. cotton exports during the entire 1968-69 season (Aug.-July) amounted to 2,731,433 running bales, down 35 percent from the 4,205,548 bales exported the previous season. This sharp drop resulted from strong competition from foreign cotton producing countries and increased use of manmade fibers in importing countries. Also, the prolonged dock strike in early 1969 probably reduced total shipments for the season.

U.S. COTTON EXPORTS BY DESTINATION
[Running bales]

Destination	Year beginning August 1				
	Average 1960-64	1965	1966	1967	1968
	1,000 bales	*1,000 bales*	*1,000 bales*	*1,000 bales*	*1,000 bales*
Austria	23	3	4	1	0
Belgium-Luxembourg	121	43	52	45	30
Denmark	14	7	8	10	1
Finland	17	8	15	11	3
France	319	108	163	148	88
Germany, West	269	92	159	100	31
Italy	345	102	263	253	62
Netherlands	110	38	31	36	19
Norway	13	10	10	7	5
Poland	125	42	78	77	106
Portugal	21	6	1	9	8
Spain	74	10	1	7	5
Sweden	81	59	71	75	51
Switzerland	74	35	79	60	32
United Kingdom	244	131	153	125	48
Yugoslavia	112	169	139	67	54
Other Europe	17	12	11	24	7
Total Europe	1,979	875	1,238	1,055	550
Algeria	9	2	1	13	27
Australia	61	33	17	17	0
Bolivia	7	4	9	0	0
Canada	353	269	297	142	108
Chile	18	3	3	1	(1)
Colombia	3	57	1	0	(1)
Congo (Kinshasa)	6	25	34	13	0
Ethiopia	9	20	9	22	9
Ghana	1	1	15	12	17
Hong Kong	148	94	183	299	194
India	314	63	289	342	174
Indonesia	40	(1)	161	70	105
Israel	15	5	2	4	1
Jamaica	4	5	5	1	2
Japan	1,192	705	1,293	1,103	536
Korea, Republic of	261	301	372	351	447
Morocco	12	12	14	35	19
Pakistan	14	6	3	18	1
Philippines	123	93	134	154	119
South Africa	41	27	38	23	9
Taiwan	209	178	373	378	259
Thailand	34	55	70	90	66
Tunisia	2	13	15	14	0
Uruguay	6	(1)	0	0	0
Venezuela	8	5	1	(1)	(1)
Vietnam, South	46	73	66	24	62
Other countries	9	18	26	25	26
Total	4,924	2,942	4,669	4,206	2,731

[1] Less than 500 bales.

Exports of cotton to Europe in 1968-69 totaled 550,000 bales, just a little over one-half the 1967-68 level. Shipments to all the Western European countries showed a marked decline. Exports to Poland during the year were up 38 percent

over the 1967-68 level. Shipments to Japan in 1968-69 were only about one-half the previous season's level. Exports to the Republic of Korea, South Vietnam, and Indonesia were higher than a year earlier.

U.S. exports in July 1969 totaled 278,139 bales, compared with 193,679 bales in June and 357,299 bales a year earlier.

July Tobacco Imports Lag

U. S. imports of unmanufactured tobacco for consumption during July 1969 were 16.9 million pounds, compared with 18.4 million pounds in July 1968. Most of the decline was in cigar filler and scrap tobacco. Imports of cigarette leaf tobacco in July 1969 were slightly more than the quantity consumed (duty paid) in the same month of 1968.

Cumulative imports (for consumption) for the 7-month period January-July 1969 are also down. A total of 122.3 million pounds were imported during January-July 1969—a drop of about 9 percent from the 134.7 million pounds imported during the same period in 1968.

During the January-July 1969 period, the import value declined to $75.0 million from $87.1 million in the same period of 1968.

U.S. IMPORTS OF UNMANUFACTURED TOBACCO (FOR CONSUMPTION)

Period and Kind	1968		1969	
	Quantity	Value	Quantity	Value
January-July:	*1,000*	*1,000*	*1,000*	*1,000*
Cigarette leaf	*pounds*	*dollars*	*pounds*	*dollars*
(flue & burley)	1,880	533	3,324	1,185
Cigarette leaf, other	98,577	70,442	84,029	57,163
Cigar wrapper	293	1,295	190	668
Mixed filler & wrapper	76	434	181	976
Cigar filler, unstemmed	1,699	1,136	1,419	1,151
Cigar filler, stemmed	1,464	1,948	1,419	1,881
Scrap	30,049	11,260	30,821	11,747
Stems	621	71	957	188
Total	134,659	87,119	122,340	74,959
July:				
Cigarette leaf				
(flue & burley)	0	0	81	27
Cigarette leaf, other	12,163	8,290	12,789	8,676
Cigar wrapper	42	207	18	71
Mixed filler & wrapper	10	29	10	52
Cigar filler, unstemmed	103	123	187	139
Cigar filler, stemmed	155	225	143	176
Scrap	5,630	2,110	3,389	1,282
Stems	323	58	247	144
Total	18,426	11,042	16,864	10,567

Bureau of the Census.

July Tobacco Exports Steady

U.S. exports of unmanufactured tobacco totaled 43.5 million pounds (declared weight) in July 1969, compared with 43.7 million pounds in July 1968. Increased shipments of burley tobacco during the month mostly offset small losses in some of the other types. The declared value of shipments in July, at $36.7 million, was slightly higher than the $35.9 million in the previous July. Cumulative exports for the 7-month period January-July 1969 were 260 million pounds, lagging about 10 percent behind the 288 million pounds of the same period a year ago, primarily because of the U.S. dock strike in the early months of this year.

Exports of tobacco products in July were valued at $15.1 million, an increase of about 34 percent over the $11.3 million in July 1968. The cumulative value of tobacco products exported during January-July 1969 was $83.9 million, about the same as that for July of the previous year.

Cumulative exports of cigarettes in number of pieces continues about the same, but shipments of cigars, smoking tobacco, chewing, and snuff are down from the same period the previous year.

U.S. EXPORTS OF UNMANUFACTURED TOBACCO
[Export weight]

Kind	July		January-July		Change from 1968
	1968	1969	1968	1969	
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*Percent*
Flue-cured	34,030	33,007	217,633	190,255	−12.6
Burley	2,140	5,970	19,864	28,585	+43.9
Dark-fired Ky.-Tenn.	2,037	1,239	10,451	9,315	−10.9
Va. fire-cured [1]	290	105	2,436	1,966	−19.3
Maryland	1,880	342	6,587	5,945	− 9.7
Green River	4	32	469	427	− 9.0
One Sucker	0	55	198	168	−15.2
Black Fat	362	182	1,445	493	−65.9
Cigar wrapper	341	82	2,876	1,506	−47.6
Cigar binder	52	52	1,811	411	−77.3
Cigar filler	0	0	230	392	+70.4
Other	2,560	2,470	23,748	20,482	−13.8
Total	43,696	43,536	287,748	259,945	− 9.7
	Mil. dol.	*Mil. dol.*	*Mil. dol.*	*Mil. dol.*	*Percent*
Declared value	35.9	36.7	244.9	228.2	− 6.8

[1] Includes sun-cured. Bureau of the Census.

U.S. EXPORTS OF TOBACCO PRODUCTS

Kind	July		January-July		Change from 1968
	1968	1969	1968	1969	
Cigars and cheroots					*Percent*
1,000 pieces	2,888	3,265	40,293	36,996	−8.2
Cigarettes					
Million pieces	1,823	2,597	13,787	13,870	+.6
Chewing and snuff					
1,000 pounds	58	3	178	19	−89.3
Smoking tobacco in pkgs.					
1,000 pounds	241	61	767	611	−20.3
Smoking tobacco in bulk					
1,000 pounds	1,602	1,194	11,126	9,852	−11.5
Total declared value					
Million dollars	11.3	15.1	83.8	83.9	+.1

Bureau of the Census.

Canada's Maritime Tobacco Crop

Tobacco production in the Maritime Provinces of Canada may reach 5 million pounds by 1973, with production from Nova Scotia rapidly expanding to 2 million pounds. The 1969 tobacco crop in the Provinces is currently expected to reach 4 million pounds with the Nova Scotia crop totaling about 1.3 million pounds. The Maritime tobacco committee has set a goal of 5 million pounds by 1973.

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Canada's Crop Production Pattern Changes

Wheat acreage in Canada was reduced by 15 percent in 1969—some 4.5 million acres—according to the Dominion Bureau of Statistics (DBS). This reduction has been exceeded only twice before, in 1941 and 1945 when a wartime acreage-reduction program was in effect.

Up to the time of seeding this spring, producers in the west were certainly not encouraged to grow more wheat. Bulging bins and the lack of markets in the immediate future also discouraged wheat production. Later on, government officials suggested that farmers would have to reduce the wheat acreage or some form of control might be required. Farmers, on their own initiative, reacted to the situation.

Recommendations to the farmer also suggested he should grow more feedgrains, and barley acreage increased by 8 percent and oat acreage slightly. However, in light of developments in Ontario, where the outlook is for a smaller corn crop and possibly a smaller feedgrain crop, it would appear that domestic marketings of Canadian feedgrains would be larger this year.

Oilseed crops pose some interesting divergences from the usual cropping pattern this year. The acreage of flax—which does not present a particularly bright outlook for sales—increased by about 60 percent, for a total of 2.4 million acres. Rapeseed was the biggest surprise to many crop forecasters. A substantial increase was warranted in view of the fact that almost all of the 1968 crop had been marketed and less than a 3-million-bushel carryover was expected. The DBS estimate shows that the 1969 acreage of rapeseed is over 2 million acres—a record high for this crop. Present crop prospects are for an average yield, which could result in a harvest of between 35 million and 40 million bushels of rapeseed, a record production unthinkable to many persons just a few years ago.

Another record revealed by the 1969 acreage figures is the 28.8 million acres of summer fallow.

Some analysts suggest that these voluntary acreage changes by farmers indicate that "important cropping decisions can usually be left to the farmer" and that he is very sensitive to market conditions and willing to change his farming program quickly and drastically as the situation warrants.

—Based on dispatch from EUGENE T. OLSON
U.S. Agricultural Attaché, Ottawa

Irish Tariff Concessions

Ireland has joined Canada in fully implementing the last of its Kennedy Round tariff concessions. On July 1, 1969, the Government of Ireland reduced the duty on 56 tariff headings which were not scheduled for full reduction until January 1, 1972.

Items of interest to U.S. agricultural trade which were affected by the cut are soybean oil and certain hydrogenated vegetable fats and oils. Both categories now carry a duty of 36 percent ad valorem, down from 50 percent ad valorem in 1967.

The recent action follows duty reductions on January 1, 1968, on certain other vegetable oils, margarine, wood tar, fresh grapes (other than hothouse), and processed nuts (except almonds). The previous reductions were made under the terms of Ireland's Protocol of Accession to the General Agreement on Tariffs and Trade (GATT) during the Kennedy Round. Several other agricultural products, principally raisins, prunes, and canned fruit, were also bound against any increase in the rate of duty on January 1, 1968.

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